



QUARTERLY STATEMENT
AS OF March 31, 2009
OF THE CONDITION AND AFFAIRS OF THE
TOTAL HEALTH CARE, INC.

NAIC Group Code	1238 (Current Period)	1238 (Prior Period)	NAIC Company Code	95644	Employer's ID Number	38-2018957
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]		Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[X] No[] N/A[]		Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]	
Incorporated/Organized	07/01/1973		Commenced Business	05/01/1976		
Statutory Home Office	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)		DETROIT, MI 48202 (City, or Town, State and Zip Code)			
Main Administrative Office	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)		DETROIT, MI 48202 (City or Town, State and Zip Code)			
Mail Address	3011 W. GRAND BLVD. SUITE 1600 (Street and Number or P.O. Box)		(313)871-2000 (Area Code) (Telephone Number)			
Primary Location of Books and Records	3011 W. GRAND BLVD. SUITE 1600 (Street and Number)		DETROIT, MI 48202 (City, or Town, State and Zip Code)			
Internet Web Site Address	TOTALHEALTHCAREONLINE.COM		(313)871-2000 (Area Code) (Telephone Number)			
Statutory Statement Contact	GERARD A HAMANN, CFO (Name)		(313)871-7879 (Area Code)(Telephone Number)(Extension)			
	GHAMANN@THC-ONLINE.COM (E-Mail Address)		(313)871-7406 (Fax Number)			

OFFICERS

Name	Title
LYLE EDWARD ALGATE	EXECUTIVE DIRECTOR
GERTRUDE HELEN MINKIEWICZ	SECRETARY
ROBYN JAMES ARRINGTON JR.,M.D.	MEDICAL DIRECTOR
DOUGLAS PAUL BAKER	CHAIRPERSON
RUBY OCTAVIA COLE	VICE CHAIRPERSON

OTHERS

DIRECTORS OR TRUSTEES

JEANETTE ABBOTT	DOUGLAS PAUL BAKER
RUBY OCTAVIA COLE	KATHLEEN THERESA KATHER
GERTRUDE HELEN MINKIEWICZ	VERLANDO SIMS

State of Michigan
County of WAYNE ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
LYLE EDWARD ALGATE	GERTRUDE HELEN MINKIEWICZ	DOUGLAS PAUL BAKER
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
EXECUTIVE DIRECTOR	SECRETARY	CHAIRPERSON
(Title)	(Title)	(Title)

Subscribed and sworn to before me this	a. Is this an original filing?	Yes[X] No[]
day of , 2009	b. If no,	
	1. State the amendment number	
	2. Date filed	
	3. Number of pages attached	
(Notary Public Signature)		

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds	1,000,000		1,000,000	1,000,000
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks	13,114,586		13,114,586	12,626,158
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$.....0 encumbrances)				
4.2	Properties held for the production of income (less \$.....0 encumbrances)				
4.3	Properties held for sale (less \$.....0 encumbrances)				
5.	Cash (\$.....14,772,832), cash equivalents (\$.....0) and short-term investments (\$.....15,587,672)	30,360,504		30,360,504	29,079,226
6.	Contract loans (including \$.....0 premium notes)				
7.	Other invested assets				
8.	Receivables for securities				
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	44,475,090		44,475,090	42,705,384
11.	Title plants less \$.....0 charged off (for Title insurers only)				
12.	Investment income due and accrued	29,831		29,831	28,873
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection	1,918		1,918	783
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
13.3	Accrued retrospective premiums				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers				
14.2	Funds held by or deposited with reinsured companies				
14.3	Other amounts receivable under reinsurance contracts				
15.	Amounts receivable relating to uninsured plans				
16.1	Current federal and foreign income tax recoverable and interest thereon				
16.2	Net deferred tax asset				
17.	Guaranty funds receivable or on deposit				
18.	Electronic data processing equipment and software				
19.	Furniture and equipment, including health care delivery assets (\$.....0)				
20.	Net adjustments in assets and liabilities due to foreign exchange rates				
21.	Receivables from parent, subsidiaries and affiliates				
22.	Health care (\$.....2,306,340) and other amounts receivable	3,137,105	820,398	2,316,707	3,364,523
23.	Aggregate write-ins for other than invested assets				
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	47,643,944	820,398	46,823,546	46,099,563
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	Total (Lines 24 and 25)	47,643,944	820,398	46,823,546	46,099,563
DETAILS OF WRITE-INS					
0901.				
0902.				
0903.				
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.				
2302.				
2303.				
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)				

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$.....0 reinsurance ceded)	12,807,170		12,807,170	13,268,619
2.	Accrued medical incentive pool and bonus amounts	781,480		781,480	548,048
3.	Unpaid claims adjustment expenses	288,096		288,096	298,476
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance	9,474		9,474	8,162
9.	General expenses due or accrued				
10.1	Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15.	Amounts due to parent, subsidiaries and affiliates	10,202		10,202	32,252
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$.....0 authorized reinsurers and \$.....0 unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured plans				
21.	Aggregate write-ins for other liabilities (including \$.....0 current)	3,000		3,000	3,000
22.	Total liabilities (Lines 1 to 21)	13,899,422		13,899,422	14,158,557
23.	Aggregate write-ins for special surplus funds	X X X	X X X		
24.	Common capital stock	X X X	X X X		
25.	Preferred capital stock	X X X	X X X		
26.	Gross paid in and contributed surplus	X X X	X X X		
27.	Surplus notes	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
29.	Unassigned funds (surplus)	X X X	X X X	32,924,124	31,941,006
30.	Less treasury stock, at cost:				
30.10 shares common (value included in Line 24 \$.....0)	X X X	X X X		
30.20 shares preferred (value included in Line 25 \$.....0)	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	32,924,124	31,941,006
32.	Total Liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	46,823,546	46,099,563
DETAILS OF WRITE-INS					
2101.	Accrued Other	3,000		3,000	3,000
2102.				
2103.				
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)	3,000		3,000	3,000
2301.	X X X	X X X		
2302.	X X X	X X X		
2303.	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		
2801.	X X X	X X X		
2802.	X X X	X X X		
2803.	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date	Prior Year Ended December 31
		1 Uncovered	2 Total	3 Total	4 Total
1.	Member Months	X X X	161,675	163,927	646,821
2.	Net premium income (including \$.....0 non-health premium income)	X X X	43,894,195	41,401,818	166,767,689
3.	Change in unearned premium reserves and reserves for rate credits	X X X			
4.	Fee-for-service (net of \$.....0 medical expenses)	X X X			
5.	Risk revenue	X X X			
6.	Aggregate write-ins for other health care related revenues	X X X	(2,455,103)	(2,278,073)	(9,161,959)
7.	Aggregate write-ins for other non-health revenues	X X X			
8.	Total revenues (Lines 2 to 7)	X X X	41,439,092	39,123,745	157,605,730
Hospital and Medical:					
9.	Hospital/medical benefits		28,141,898	22,963,642	103,470,471
10.	Other professional services		1,277,433	3,932,295	5,031,161
11.	Outside referrals				
12.	Emergency room and out-of-area		3,185,105	3,088,346	12,340,385
13.	Prescription drugs		3,623,449	3,718,830	13,690,875
14.	Aggregate write-ins for other hospital and medical		223,003	213,720	750,555
15.	Incentive pool, withhold adjustments and bonus amounts		185,549	556,732	73,270
16.	Subtotal (Lines 9 to 15)		36,636,437	34,473,565	135,356,717
Less:					
17.	Net reinsurance recoveries				36,095
18.	Total hospital and medical (Lines 16 minus 17)		36,636,437	34,473,565	135,320,622
19.	Non-health claims (net)				
20.	Claims adjustment expenses, including \$.....0 cost containment expenses		92,342	86,554	343,429
21.	General administrative expenses		4,486,172	4,256,330	17,044,505
22.	Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23.	Total underwriting deductions (Lines 18 through 22)		41,214,951	38,816,449	152,708,556
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	224,141	307,296	4,897,174
25.	Net investment income earned		70,301	321,553	851,782
26.	Net realized capital gains (losses) less capital gains tax of \$.....0				
27.	Net investment gains or (losses) (Lines 25 plus 26)		70,301	321,553	851,782
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]				
29.	Aggregate write-ins for other income or expenses				
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	294,442	628,849	5,748,956
31.	Federal and foreign income taxes incurred	X X X			
32.	Net income (loss) (Lines 30 minus 31)	X X X	294,442	628,849	5,748,956
DETAILS OF WRITE-INS					
0601.	QUALITY ASSESSMENT ASSURANCE FEE	X X X	(2,455,103)	(2,278,073)	(9,161,959)
0602.	X X X			
0603.	X X X			
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	(2,455,103)	(2,278,073)	(9,161,959)
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X			
1401.	Other Expense		223,003	213,720	750,555
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page				
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		223,003	213,720	750,555
2901.				
2902.				
2903.				
2998.	Summary of remaining write-ins for Line 29 from overflow page				
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2	3
		Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT				
33.	Capital and surplus prior reporting year	31,941,006	31,359,992	31,359,992
34.	Net income or (loss) from Line 32	294,442	628,849	5,748,956
35.	Change in valuation basis of aggregate policy and claim reserves			
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	488,428	819,739	(4,511,630)
37.	Change in net unrealized foreign exchange capital gain or (loss)			
38.	Change in net deferred income tax			
39.	Change in nonadmitted assets	200,248	20,719	(656,312)
40.	Change in unauthorized reinsurance			
41.	Change in treasury stock			
42.	Change in surplus notes			
43.	Cumulative effect of changes in accounting principles			
44.	Capital Changes:			
44.1	Paid in			
44.2	Transferred from surplus (Stock Dividend)			
44.3	Transferred to surplus			
45.	Surplus adjustments:			
45.1	Paid in			
45.2	Transferred to capital (Stock Dividend)			
45.3	Transferred from capital			
46.	Dividends to stockholders			
47.	Aggregate write-ins for gains or (losses) in surplus			
48.	Net change in capital and surplus (Lines 34 to 47)	983,118	1,469,307	581,014
49.	Capital and surplus end of reporting period (Line 33 plus 48)	32,924,124	32,829,299	31,941,006
DETAILS OF WRITE-INS				
4701.			
4702.			
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page			
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance	43,894,372	166,767,712
2.	Net investment income	69,343	848,417
3.	Miscellaneous income	(1,407,287)	(10,478,879)
4.	Total (Lines 1 to 3)	42,556,428	157,137,250
5.	Benefit and loss related payments	36,864,454	144,926,694
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	4,588,894	17,380,179
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	41,453,348	162,306,873
11.	Net cash from operations (Line 4 minus Line 10)	1,103,080	(5,169,623)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds		954,000
12.2	Stocks		11,250,000
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	Total investment proceeds (Lines 12.1 to 12.7)		12,204,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds		
13.2	Stocks		11,250,000
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	Total investments acquired (Lines 13.1 to 13.6)		11,250,000
14.	Net increase (or decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)		954,000
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	178,198	(951,050)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	178,198	(951,050)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,281,278	(5,166,673)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	29,079,226	34,245,899
19.2	End of period (Line 18 plus Line 19.1)	30,360,504	29,079,226

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001		
20.0002		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	53,566	28							53,538	
2. First Quarter	53,925	27							53,898	
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	161,675	83							161,592	
Total Member Ambulatory Encounters for Period:										
7. Physician	66,615	72							66,543	
8. Non-Physician	41,583	64							41,519	
9. Total	108,198	136							108,062	
10. Hospital Patient Days Incurred	7,020	3							7,017	
11. Number of Inpatient Admissions	1,840	1							1,839	
12. Health Premiums Written (a)	43,929,697	24,889							43,904,808	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	43,929,697	24,889							43,904,808	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services ...	36,560,329	21,594							36,538,735	
18. Amount Incurred for Provision of Health Care Services	36,636,437	21,625							36,614,812	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
Individually Listed Claims Unpaid						
RX AMERICA	948,526					948,526
0199999 Individually Listed Claims Unpaid	948,526					948,526
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	4,420,634					4,420,634
0499999 Subtotals	5,369,160					5,369,160
0599999 Unreported claims and other claim reserves						7,438,010
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						12,807,170
0899999 Accrued Medical Incentive Pool And Bonus Amounts						781,480

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1+3)	6 Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)	13,287	7,229	120,000	414	133,287	14,573
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid	7,713,561	28,826,252	11,880,000	806,756	19,593,561	13,254,046
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	7,726,848	28,833,481	12,000,000	807,170	19,726,848	13,268,619
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pools and bonus amounts	221,403	82,722		781,480	221,403	548,048
13.	Totals	7,948,251	28,916,203	12,000,000	1,588,650	19,948,251	13,816,667

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

Notes to Financial Statement

Note 1 – Nature of Business and Significant Accounting Policies

Total Health Care, Inc. (the "Company"), a not-for-profit corporation, operates as a state-licensed health maintenance organization (HMO). Total Health Care, Inc. provides medical services to persons primarily in southeastern Michigan who subscribe as recipients of state or federal health benefits, as part of an employer group, or as individuals. Effective November 1, 2005, the Company no longer provides medical services to employer groups. Employer group contracts formerly serviced by the Company were transferred to Total Health Care USA, Inc. in 2005.

Total Health Care, Inc., and its wholly owned subsidiaries, Total Health Choice, Inc. and Total Health Care USA, Inc., have common officers on their respective governing boards.

Statutory Basis of Accounting – The financial statements have been prepared in accordance with the NAIC Accounting Practices and Procedures manual and the statutory accounting principles as prescribed by Section 1007 of the Michigan statutes. Statutory accounting principles differ from generally accepted accounting principles (GAAP) in their definition of assets and liabilities. Specifically, certain assets (such as intangible assets and receivables greater than 90 days) are excluded from the statutory basis balance sheet. GAAP net assets exceed statutory net assets by approximately \$820,398 and \$1,020,646 at March 31, 2009 and December 31, 2008, respectively. There are no significant differences between statutory accounting principles prescribed by the NAIC and the State of Michigan accounting requirements that are applicable to the Company.

Cash and Short-term Investments – The Company considers all highly liquid investments purchased with an original maturity of three months or less when purchased to be cash equivalents. Certificates of deposit in banks or other similar financial institutions with maturity dates of one year or less from the acquisition date are considered cash under statutory accounting principles.

Investments – Short-term investments and long-term certificates of deposit are recorded at amortized cost, which approximates fair market value. Long-term certificates of deposit are classified as bonds on the balance sheet per statutory guidance. Investments in health care subsidiaries are reported at the statutory net worth value of the subsidiary under the equity method and are reported as common stocks on the balance sheet. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in net investment income on the statement of operations. Changes in unrealized gains and losses on investments are included as a direct adjustment to capital and surplus.

Revenue Recognition and Accounts Receivable – Capitation revenue and subscriber premiums are recognized in the period that members are entitled to related health care services. A portion of the health care receivable is due from third-party payors for subscribers located within southeastern Michigan. No allowance for doubtful accounts is recorded in 2009 or 2008. Receivables greater than 90 days old are treated as

non-admitted for statutory accounting purposes. Approximately \$318,546 and \$278,000 of receivables greater than 90 days old were non-admitted at March 31, 2009 and December 31, 2008, respectively. The Company also pays quality assurance assessment fees based on a percentage of revenue. Revenue for March

Notes to Financial Statement

31, 2009 and December 31, 2008 is reported net of the fees, which totaled \$2,455,103 and \$9,161,959 , respectively.

Recognition of Medical and Hospital Expenses – Medical and hospital expenses and the related liabilities are recorded when eligible medical and hospital services are authorized or performed. Unpaid claims represent management's estimate of the ultimate cost to settle all claims incurred prior to year-end. Capitation retained for the settlement of risk-sharing is included in the accrued medical incentive pool liability at March 31, 2009 and December 31, 2008.

Physician Group Contracts – The Company contracts with physician groups for the provision of medical care and compensates the groups on a capitation basis. During 2007, the Company revised its physician group contracts. These contracts have a specialty claims incentive and pay-for-performance incentive. If the providers meet the incentives, they share in the savings and a payable is recorded. If the providers do not meet the incentives, they share in the excess costs and a health care receivable is recorded if deemed collectible by management. During 2009 and 2008, health care receivables and payables have been recorded from/to providers.

Hospital Group Contracts – The Company has contracts with several hospitals and other groups. These contracts are paid under capitated fees or various other charge arrangements.

Malpractice Claims – The Company has a claims-made policy for malpractice insurance. The Company's policy is to accrue for estimated costs of claims and incidents during the term of the claims-made policy.

Employee Staffing and Purchased Services Agreement – The Company has an employee staffing and purchased services agreement with a limited liability company, which is responsible for payment of most of the management, operational, and administrative expenses. Ultimate operational control rests with the board of directors of Total Health Care, Inc.

Income Taxes – Total Health Care, Inc. has received federal income tax exemption under Internal Revenue Code Section 501(c)(4). The Company is also exempt from state and local income taxes.

Funds Maintained Under Statutory Requirements – The Company maintains segregated funds under statutory requirements to protect members and health care providers in the event the Company is unable to meet its contractual obligations. These funds can be used only at the direction of the insurance commissioner in accordance with statutory and contractual provisions. These funds are classified according to the nature of the investment. At March 31, 2009 and December 31, 2008, \$1,000,000 was held in bonds to fulfill these requirements. Interest earned on these funds can be utilized by the Company.

Use of Estimates – The preparation of financial statements in conformity with statutory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Certain significant estimates exist relating to unpaid claims. It is at least reasonably possible that these estimates will be materially revised in the near term.

Notes to Financial Statement

A reconciliation of the Total Health Care’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Michigan is shown below:

	2009	2008
(1) Net Income - State Basis	294,442	5,748,956
(2) State Prescribed Practices (Income):		
Depreciation of fixed assets	0	0
(3) State Permitted Practices (Income):		
Depreciation, home office property	0	0
(4) Net Income, NAIC SAP	294,442	5,748,956
(5) Statutory Surplus State Basis	32,924,124	31,941,006
(6) State Prescribed Practices (Surplus):		
Goodwill, net	0	0
Fixed Assets, net	0	0
(7) State Permitted Practices (Surplus):		
Home Office Property	0	0
(8) Statutory Surplus, NAIC SAP	32,924,124	31,941,006

Note 2 – Accounting Changes and Corrections of Errors

NO CHANGE

Note 3 – Business Combinations and Goodwill

This note is not applicable to the Company.

Note 4 – Discontinued Operations

This note is not applicable to the Company.

Note 5 – Investments

The Company does not have investments relating to mortgage loans, debt restructuring, reverse mortgages, loan-backed securities, repurchase agreement, or real estate.

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in joint ventures, partnerships, or limited liability companies.

Note 7 – Investment Income

The Company has no investment income due and accrued over 90 days past due.

Note 8 – Derivative Instruments

The Company does not invest in derivatives.

Note 9 – Income Taxes

This note is not applicable to the Company.

Note 10 – Information Concerning Parent, Subsidiaries, and Affiliates

Notes to Financial Statement

The Company's provider contracts are all negotiated in conjunction with Total Health Care USA, Inc., the Company's wholly owned subsidiary. This contracting methodology ultimately produces a blended contract rate, which is higher than Total Health Care, Inc. would have incurred had it contracted for Medicaid members only, and a rate significantly lower than Total Health Care USA, Inc. could obtain for its commercial members. During 2007 an agreement was negotiated between the companies whereby the cost savings realized by Total Health Care USA, Inc. would be shared with the Company, thus reducing some of the excess cost realized by the Company. The amount of the adjustment for 2008 was \$3,816,000 which was recorded as a reduction of hospital and medical expenses. The Company then made capital contributions to Total Health Care USA, Inc. in 2008 in the amount of \$954,000.

This agreement was terminated effective 12/31/2008.

Note 11 – Debt

This note is not applicable to the Company.

Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences, and Other Postretirement Benefit Plans

This note is not applicable to the Company.

Note 13 – Capital and Surplus, Stockholders' Divided Restrictions, and Quasi-reorganizations

NO CHANGE

Note 14 – Contingencies

NO CHANGE

Note 15 – Leases

NO CHANGE

Note 16 – Information about Financial Instruments with Off-balance-sheet Risk and Financial Instruments with Concentrations of Credit Risk

This note is not applicable to the Company.

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

This note is not applicable to the Company.

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

This note is not applicable to the Company.

Note 19 – Direct Premium Written/Produced by Managing General Agents/Third-party Administrators

This note is not applicable to the Company.

Note 20 – Other Items

NO CHANGE

Notes to Financial Statement

Note 21 – Events Subsequent

No unusual or material events have occurred subsequent to year-end.

Note 22 – Reinsurance

A. Ceded Reinsurance Report

NO CHANGE

B. Uncollectible Reinsurance

NO CHANGE

C. Commutation of Ceded Reinsurance

NO CHANGE

Note 23 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

This note is not applicable to the Company.

Note 24 – Change in Incurred Losses

NO CHANGE

Note 25 – Intercompany Pooling Arrangements

This note is not applicable to the Company.

Note 26 – Structured Settlements

This note is not applicable to the Company.

Note 27 – Health Care Receivables

NO CHANGE

Note 28 – Participating Policies

This note is not applicable to the Company.

Note 29 – Premium Deficiency Reserves

This note is not applicable to the Company.

Note 30 – Anticipated Salvage and Subrogation

NO CHANGE

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 2.2 If yes, date of change:

.....
3. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[] No[X]
- If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes[] No[] N/A[X]
- If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2005.....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2005.....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....08/02/2007.....
- 6.4 By what department or departments?

MICHIGAN OFFICE OF FINANCIAL AND INSURANCE REGULATION
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with?

Yes[] No[] N/A[X]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes[] No[X]
- 7.2 If yes, give full information
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes[X] No[]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended?

Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....0
13. Amount of real estate and mortgages held in short-term investments:

\$.....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[X] No[]

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock	12,626,158	13,114,586
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	12,626,158	13,114,586
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.
- Yes[] No[X]
Yes[] No[] N/A[X]
16. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 3, III Conducting Examinations, F - Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
- Yes[X] No[]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
JP MORGAN - KATE MCDONALD	500 STANTON CHRISTIANA RD., NEWARK, DE 19713
COMERICA BANK - LYNN HUTZEL-UISEL	P.O. BOX 75000, DETROIT, MI 48275-3462
US BANK - LESLEY KOGER	535 GRISWOLD, STE. 550, DETROIT, MI 48226

16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?
16.4 If yes, give full and complete information relating thereto:
- Yes[] No[X]

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

- 17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
17.2 If no, list exceptions:
- Yes[] No[X]

SCHEDULE S - CEDED REINSURANCE
Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4 Name of Reinsurer	5 Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
Accident and Health - Non-affiliates						
20621	04-2475442	11/01/2008	ONEBEACON AMER INS CO	CANTON, MA	SSL/L/I	Yes[X] No[]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
State, Etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama (AL)	N ..								
2.	Alaska (AK)	N ..								
3.	Arizona (AZ)	N ..								
4.	Arkansas (AR)	N ..								
5.	California (CA)	N ..								
6.	Colorado (CO)	N ..								
7.	Connecticut (CT)	N ..								
8.	Delaware (DE)	N ..								
9.	District of Columbia (DC)	N ..								
10.	Florida (FL)	N ..								
11.	Georgia (GA)	N ..								
12.	Hawaii (HI)	N ..								
13.	Idaho (ID)	N ..								
14.	Illinois (IL)	N ..								
15.	Indiana (IN)	N ..								
16.	Iowa (IA)	N ..								
17.	Kansas (KS)	N ..								
18.	Kentucky (KY)	N ..								
19.	Louisiana (LA)	N ..								
20.	Maine (ME)	N ..								
21.	Maryland (MD)	N ..								
22.	Massachusetts (MA)	N ..								
23.	Michigan (MI)	L ..	24,889		43,904,808				43,929,697	
24.	Minnesota (MN)	N ..								
25.	Mississippi (MS)	N ..								
26.	Missouri (MO)	N ..								
27.	Montana (MT)	N ..								
28.	Nebraska (NE)	N ..								
29.	Nevada (NV)	N ..								
30.	New Hampshire (NH)	N ..								
31.	New Jersey (NJ)	N ..								
32.	New Mexico (NM)	N ..								
33.	New York (NY)	N ..								
34.	North Carolina (NC)	N ..								
35.	North Dakota (ND)	N ..								
36.	Ohio (OH)	N ..								
37.	Oklahoma (OK)	N ..								
38.	Oregon (OR)	N ..								
39.	Pennsylvania (PA)	N ..								
40.	Rhode Island (RI)	N ..								
41.	South Carolina (SC)	N ..								
42.	South Dakota (SD)	N ..								
43.	Tennessee (TN)	N ..								
44.	Texas (TX)	N ..								
45.	Utah (UT)	N ..								
46.	Vermont (VT)	N ..								
47.	Virginia (VA)	N ..								
48.	Washington (WA)	N ..								
49.	West Virginia (WV)	N ..								
50.	Wisconsin (WI)	N ..								
51.	Wyoming (WY)	N ..								
52.	American Samoa (AS)	N ..								
53.	Guam (GU)	N ..								
54.	Puerto Rico (PR)	N ..								
55.	U.S. Virgin Islands (VI)	N ..								
56.	Northern Mariana Islands (MP)	N ..								
57.	Canada (CN)	N ..								
58.	Aggregate other alien (OT)	X X X ..								
59.	Subtotal	X X X ..	24,889		43,904,808				43,929,697	
60.	Reporting entity contributions for Employee Benefit Plans	X X X ..								
61.	Total (Direct Business)	(a)..... 1	24,889		43,904,808				43,929,697	
DETAILS OF WRITE-INS										
5801.	X X X ..								
5802.	X X X ..								
5803.	X X X ..								
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X ..								
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X ..								

(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

TOTAL HEALTH CARE, INC. – PARENT
38-2018957, NAIC #95644, STATE OF MICHIGAN

TOTAL HEALTH CARE USA, INC. – WHOLLY OWNED SUBSIDIARY OF TOTAL HEALTH CARE, INC.
38-3240485, NAIC #12326, STATE OF MICHIGAN

TOTAL HEALTH CHOICE, INC. – WHOLLY OWNED SUBSIDIARY OF TOTAL HEALTH CARE, INC.
33-0603319, NAIC #95134, STATE OF FLORIDA

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
4704.			
4797. Summary of remaining write-ins for Line 47 (Lines 4704 through 4796)			

STATEMENT AS OF **March 31, 2009** OF THE **TOTAL HEALTH CARE, INC.**

SCHEDULE A - VERIFICATION

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other than temporary impairment recognized		
8.	Deduct current year's depreciation		
9.	Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest paid		
9.	Total foreign exchange change in book value/recorded investment		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)		
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1	2
Description		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of acquired:		
2.1	Actual cost at time of acquisition		
2.2	Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other than temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	13,626,158	17,183,788
2.	Cost of bonds and stocks acquired	488,428	11,250,000
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		(3,557,630)
5.	Total gain (loss) on disposals		
6.	Deduct consideration for bonds and stocks disposed of		11,250,000
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	14,114,586	13,626,158
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	14,114,586	13,626,158

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	16,524,519	108,447	45,294		16,587,672			16,524,519
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	16,524,519	108,447	45,294		16,587,672			16,524,519
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	16,524,519	108,447	45,294		16,587,672			16,524,519

Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short - Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	15,587,672	X X X	15,587,672	63,153	

SCHEDULE DA - Verification

Short-Term Investments

		1 Year To Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	15,524,519	15,036,677
2.	Cost of short-term investments acquired	108,447	12,835,774
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		68
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals	45,294	12,348,000
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other than temporary impairment recognized ...		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	15,587,672	15,524,519
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	15,587,672	15,524,519

SI04	Schedule DB Part F Section 1	NONE
SI05	Schedule DB Part F Section 2	NONE
SI06	Schedule E - Verification (Cash Equivalents)	NONE
E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 2	NONE
E02	Schedule B Part 3	NONE
E03	Schedule BA Part 2	NONE
E03	Schedule BA Part 3	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E06	Schedule DB Part B Section 1	NONE
E07	Schedule DB Part C Section 1	NONE
E07	Schedule DB Part D Section 1	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
							First Month	Second Month	Third Month	
open depositories										
COMERICA BANK	DETROIT, MI	0.600	6,189	34	16,506,450	16,096,287	14,772,832	X X X
0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X	X X X						X X X
0199999 Totals - Open Depositories			X X X	X X X	6,189	34	16,506,450	16,096,287	14,772,832	X X X
0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories										
			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	6,189	34	16,506,450	16,096,287	14,772,832	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X	6,189	34	16,506,450	16,096,287	14,772,832	X X X

E09 Schedule E Part 2 Cash Equivalents NONE

Supp1 Medicare Part D Coverage Supplement NONE

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